98-103

July 24, 1998

TO: Lester Snow

FROM: Roberta Borgonovo

RE: Comments on Developing a Draft Preferred Program Alternative

I am submitting these informal comments in response to the BDAC discussion last week and I assume they will be part of the continuing revision process for CALFED's development of a new Draft Preferred Program Alternative. I am speaking as an individual, but many of these remarks will be familiar reiterations of the previous comments submitted on the CALFED Draft Programmatic EIR/EIS of March 1998 on behalf of the League of Women Voters of California (LWVC) and the Environmental Water Caucus (EWC).

In general, I advocate a Draft Preferred Alternative that has phased decision making rather than phased implementation. My reasons for this approach are that the complexity of the Ecosystem Restoration Program (ERP) leaves important unresolved questions on how best to protect the Bay-Delta ecosystem over the long term. These questions can only be answered over time by a carefully constructed program of adaptive management, a program that only now is being shaped by the Core Team of scientists developing a Strategic Plan for restoration of the ecosystem. The plan will include a program of focused research, monitoring, testing of hypotheses, and feedback of results into implementation of the restoration plan for the ecosystem. A guaranteed steady source of funding for all this work is also essential.

As reflected in the May minutes of the BDAC Ecosystem Work Group, the Work Group cited the need to do more focused research to answer key uncertainties before making decisions on major storage and conveyance alternatives. The group also is helping CALFED to identify major Ecosystem Restoration Program implementation milestones and linkages to other parts of the CALFED program. These milestones should be achieved before moving forward on either storage or conveyance.

In fact, important unresolved issues exist in all the six common programs. Many of these questions should be resolved in the same scientific manner being proposed by the Core Team for the Ecosystem Restoration Program. In fact, the LWVC, EWC, and many environmental and fishery organizations have requested peer review by outside experts of all the common programs. CALFED has indicated in the Draft Preferred Alternative that this will take place in some, not all, of the program areas. However, to assemble the proper experts, pose the questions, and allow the panel time to respond may be a matter of weeks or

months, but is not worth doing if the results are not incorporated into the Draft Preferred Alternative.

To return to page 3 of the Draft, CALFED proposes two ways of structuring decisions in the case of actions where uncertainty or important linkages exist. I advocate the first option: An action does not proceed unless the other selected actions fail to produce necessary results and specific conditions are met (the so-called on ramp approach.) I believe this approach is most compatible with the adaptive management approach being developed by the Core Team for the ERP and should be applied across other program areas.

I agree with the CALFED approach on the need for linkages in Stage 1 but would like to emphasize that Assurances for the Draft need considerable work. To quote from the EWC comments on the March draft EIS/R:

> The Draft Preferred Alternative must ask the basic question: What do we need to do to ensure that the Ecosystem Restoration Program (or any other program) is fully implemented so as to achieve its substantive goals? The draft list "tools," and "management structures,"' and "guidelines" for an assurance package, but it never sets forth the basic elements necessary to guarantee that the ecosystem restoration program will achieve its objectives. For example, ecosystem restoration will not be achieved without a secure source of both water and funding. . . .
> The purpose of an assurance package should be to ensure program outcomes. For example, in the case of the Ecosystem Restoration Program and the Conservation Strategy, this means that the assurance package should have as its objective achievement of the performance standards established for the restoration efforts. Similarly, performance standards should be established for the other program elements, and the assurances package should be tied to achieving those goals. . . .
> For the ecosystem restoration element, the revised EIS/R should examine the package of assurance mechanisms listed below:
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> 1. Strong ERPP with measurable performance standards
> 2. Legal mandates to achieve performance standards
> 3. Institution dedicated to program implementation with sufficient authority
> 4. Provision of environmental water
> 5. Secure, adequate, and pliable long-term funding for ecosystem restoration and water acquisition
> 6. Enforcement of baseline environmental statutes
> 7. Physical constraints on new water developments
> 8. Controls on water project operations

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9. Phasing/linkages of program elements
10. Remedies in the event that program commitments are not fulfilled

(See EWC comments for a complete discussion of Assurances).

Reoperation of the existing system to meet CALFED objectives is an important element that is missing from the document and should be included. To quote from the EWC comment letter:

> CALFED should consider an alternative that maintains the existing Delta configuration (with minor changes such as moving the Clifton Court intake to the northeast corner and installing more effective screen and bypass systems) but operates this configuration to maximize restoration potential. This should include modeling operation of fish-friendly pumping schedule, delayed filling of San Luis Reservoir, flexible export/import ratios to decrease impacts during low flow periods, etc. These scenarios should also include expanded use of water transfers, conjunctive use, conservation and recycling to mitigate economic impacts, if any, of this operational regime.

We had a lengthy presentation on the results of the Diversion Effects on Fish Team (DEFT) at the BDAC meeting. I would like to echo the recommendation of Elise Holland, a fisheries biologist at The Bay Institute and a DEFT team member:

> Calfed should build a new basecase, which reflects the reality of existing policy, including all the AFRP b2 actions and 1995 Level of Demand (LOD) as a first step. This new basecase could then be used to do runs related to optimization of the existing system to provide increased fish protection benefits, improve water quality and continue to meet demand. The basic hypothesis is that it may be possible to meet these three criteria via system optimization from an operational flexibility perspective, and through the use of other tools such as groundwater storage, conservation, recycling, transfers, and watershed management.

During the BDAC meeting, I was asked specifically how to improve the Water Use Efficiency element of any Draft Preferred Alternative. I refer you to the EWC and LWVC comments on the EIS/F for a complete discussion of what this element should include, but an underlying assumption is that water use efficiency can only be maximized if CALFED refrains from any new subsidized water supply projects.

The Agricultural element especially needs to be strengthened and I am willing to work with the agricultural sector to accomplish this. The EWC and LWVC comments provide many specifics on how to improve the Water Use Efficiency element in ways that will go a long way toward meeting both water reliability and water quality objectives. For example, the Agricultural Conservation element in the new Draft should incorporate the addition of measurement and pricing criteria as a precondition to receiving CALFED program benefits. Additionally, clear goals, measurable objectives, and interim targets should be developed for the agricultural efficiency program.

Regarding urban water use efficiency, I would like the new Draft to cite the "California Urban Water Conservation Council as the entity to certify urban water agency compliance with the MOU implementation of Best Management Practices (rather than the vague "Urban Council"). Also, I advocate the inclusion of the CUWA/EWC proposal for a certification and enforcement program for assuring high levels of compliance for urban BMP implementation. The goal of this program is to develop what would be the minimal requirements to meet the CALFED objective of providing a high base level of conservation and is essential to any CALFED preferred alternative.

I support the development and implementation of a water recycling Best Management Practice (BMP) with specific measurable goals and objectives, whether if be included in the California Urban Water Conservation Council list of BMPs or is a CALFED requirement in any draft preferred alternative.

The LWVC, EWC, The Pacific Institute, and individual environmental organizations have submitted lengthy comments on the inadvisability of any CALFED preferred alternative including many of the flawed assumptions of DWR's Bulletin 160-98. The result of the first draft EIS/R was that CALFED seriously overestimated demand for water in California and underestimated the potential for water conservation in both the urban and agricultural sectors to meet that demand. An independent expert review of the CALFED assumptions for water conservation potential and the projected demand in year 2020 needs to be part of any preferred alternative.

The new Draft also needs to incorporate basic economic principles about supply, demand, and price into its water use efficiency common program.
As a recurring theme, a panel of economists and other experts should review the water use efficiency program. CALFED staff indicated that an economic analysis of program elements is underway, but it is not clear how or when the results would be integrated into the new Draft. Certainly, the results of the economic analysis have to be available and integrated into the CALFED program before any decision is made on additional surface storage and conveyance.

I believe the Water Quality element must include the results of the current efforts of the Water Quality Technical Group to refine program objectives and actions

that can affect improvement in Delta water quality in both the near and long term. It is especially important that the water quality element be better integrated with other program elements such as the ecosystem restoration, water use efficiency, watershed management, and levee common programs. Progress must be made on quantifying water quality benefits from other common programs before making a decision on storage and conveyance.

Safe drinking water is a special concern. To this end, CALFED is assembling an expert panel to address drinking water quality issues. The panel could respond to several challenges.

For example, the panel could address these questions: (1) what watershed management and other source control options at Delta intakes address concentrations of bromide and other water quality factors of concern; (2) how can water supply systems be operated in such a way as to minimize bromide and other contaminants in the source water and minimize the impacts of these materials from water treatment; (3) what information should CALFED collect during the first years of program implementation to more fully evaluate the significance of bromide to the CALFED decision; (4) what can be done from a treatment standpoint to address the ability to recycle water; (5) what actions can utilities using Delta water take to comply with the November 1998 anticipated regulations, with an emphasis on actions in the next 3-5 years. Again, I believe it is important that this kind of information be available to CALFED before making decisions on storage and conveyance.

I would like to mention two other areas of concern. First, the new Draft must include a comprehensive environmental and financial baseline. To quote from the EWC comments:

> A more comprehensive accounting of all aspects of Bay-Delta water development is essential to clarify the starting point of the CALFED program and to monitor and evaluate the future impacts of the CALFED program. If it is to meet is own "durability" objective, a CALFED solution must include meaningful and comprehensive groundwater management, a finite water-depletion budget, comprehensive water metering, and a robust and protective ecosystem baseline, from which we evaluate changes.

Agreement on the environmental and financial baseline must be resolved before the Finance Package in the new draft is considered adequate. Many of us in the Finance Work Group supported the basic notion that those who would benefit from newly developed supplies should pay the "true costs" associated with these projects. However, as you can see from the EWC comments, the benefits-based approach was of ongoing concern for two reasons: (1) the lack of acknowledgment of how we got here and the extent of the damage to the

environment caused by subsidized water projects; (2) the problematic definition of ecosystem benefits, which would assign environmental benefits to either new storage or conveyance systems. Storage and conveyance are never preferable to leaving water instream and environmental benefits assigned to them are really mitigation for either past or current water supply development. (See the complete EWC comment discussion on Finance.)

The draft document that the Finance Work Group had under discussion this past June seemed to be a step in the right direction in addressing these concerns but many issues remain unresolved. I am encouraged by Steve Ritchie's presentation at the BDAC meeting. At least, policy issues that need discussion and resolution are being put forth. I believe it is critical that issues problematic to the Finance Work Group be resolved before December.

Second, the No Action Alternative is critical in determining the baseline from which any project alternative will be evaluated. CALFED's No Action Alternative contains numerous flawed assumptions, including the previously cited DWR Bulletin 160-98's lack of basic economic criteria to address the balance between supplies and demand. Of special concern is the assumption of up to 1.2 million acre-feet of additional diversions. (See EWC and LWVC comments on both the CALFED Draft EIS/R and draft Bulletin 160-98 for a more complete discussion and recommendations.)

I have cited many of the suggestions from the LWVC and EWC comments for improving the March draft EIS/R, but I ask that all these suggestions in the LWVC and EWC comments be incorporated into the new draft Preferred Alternative or adequate response given as to why they are not included.

Thank you for considering these comments. I look forward to the next Draft.